Companies House

MR01(ef)

Registration of a Charge

Company name: **SKY UK LIMITED**

Company number: **02906991**


X6KM2VRD

Received for Electronic Filing: **05/12/2017**

Details of Charge

Date of creation: **30/11/2017**

Charge code: **0290 6991 0006**

Persons entitled: **LIONEL FINANCE LIMITED AS PURCHASER**

Brief description: **NOT APPLICABLE.**

Contains fixed charge(s).

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S. 859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL COMPOSITE INSTRUMENT.**

Certified by: **JENNIFER LOWE**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2906991

Charge code: 0290 6991 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th November 2017 and created by SKY UK LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th December 2017 .

Given at Companies House, Cardiff on 7th December 2017

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006





THE OFFICIAL SEAL OF THE REGISTRAR OF COMPANIES

EXECUTION VERSION

DATED 30 NOVEMBER 2017

SKY UK LIMITED
SKY SUBSCRIBERS SERVICES LIMITED
as Sellers

- and -

LIONEL FINANCE LIMITED
as Purchaser

- and -

BNP PARIBAS TRUST CORPORATION UK LIMITED
as Security Trustee

SECURITY DEED

Save for material redacted pursuant to s859G of the Companies Act 2006, I certify that this is a true and complete copy of the original seen by me

Name: JENNIFER LOWE
Title: SOLICITOR
Date: 01/12/2017

Hogan Lovells International LLP (Ref:)
Atlantic House, Holborn Viaduct, London, EC1A 2FG

Hogan Lovells

Ref: MPM/8263574
10180P.085865

Hogan Lovells International LLP
Atlantic House, Holborn Viaduct, London, EC1A 2FG

CONTENTS

THIS SECURITY DEED (this "**Security Deed**") is made on 30 November 2017

BETWEEN:

(1) **Sky UK Limited**, a company incorporated under the laws of England and Wales, registered number 02906991, whose registered office is at Grant Way, Isleworth Middlesex, TW7 5QD, and **Sky Subscribers Services Limited**, a company incorporated under the laws of England and Wales, registered number 02340150, whose registered office is at Grant Way, Isleworth Middlesex, TW7 5QD (each a "**Seller**" and together the "**Sellers**");

(2) **Lionel Finance Limited**, a company incorporated under the laws of England and Wales, registered number 10910226, whose registered office is c/o Wilmington Trust SP Services (London) Limited, Third Floor, 1 Kings Arms Yard, London EC2R 7AF in its capacity as the Purchaser (the "**Purchaser**"); and

(3) **BNP Paribas Trust Corporation UK Limited**, a private company with limited liability incorporated under the laws of England and Wales whose registered number is 04042668, with its registered office at 10 Harewood Avenue, London, England, NW1 6AA (the "**Security Trustee**").

WHEREAS:

(A) The Purchaser has been established under the laws of England and Wales for the purpose of purchasing the Sellers' present and future right, title and interest in, to and under all of the Purchased Receivable Assets, and has entered into the Receivables Sale Agreement with, among others, the Sellers for this purpose.

(B) This Security Deed secures and shall secure all the obligations of the Sellers to the Purchaser in respect of the Seller Secured Obligations.

(C) The Purchaser has granted security pursuant to the Deed of Charge (together with other Purchaser Security Documents) to the Security Trustee to secure, among other things, all the obligations of the Purchaser to the Purchaser Secured Parties in respect of the Purchaser Secured Obligations. Such security includes the Purchaser's rights under this Security Deed.

IT IS HEREBY AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Unless otherwise defined in this Security Deed or the context requires otherwise, words and expressions used in this Security Deed have the meanings and constructions ascribed to them in the Master Definitions and Framework Deed signed by each of the parties to this Security Deed and the other parties thereto on or about the date hereof (the "**Master Definitions and Framework Deed**").

1.2 In addition, in this Security Deed and in the introduction hereto, unless the context otherwise requires:

"**SD Receiver**" means a manager, a receiver and manager appointed under this Security Deed, pursuant to statutory powers or otherwise, and includes more than one such SD Receiver and any substituted SD Receiver;

"**Seller Charged Property**" means all the property, rights and assets of the Sellers which is subject to the Seller Security;

"**Seller Secured Obligations**" means all present and future indebtedness and other liabilities and obligations (however created, arising or evidenced, whether direct or indirect, absolute or contingent, or due or to become due) of the Sellers to the Purchaser arising either by way of a Deferred Dilution Adjustment or by way of a Dilution Adjustment in respect of a Sky Option Shortfall, in each case under or in connection with the Receivable Sales Agreement, the Master Definitions and Framework Deed or any other Transaction Document or the transactions contemplated thereby; and

"**Seller Security**" means the Security Interests created by or pursuant to this Security Deed over the Seller Charged Property.

1.3 **Interpretation**

This Security Deed shall be construed in accordance with the principles of construction and interpretation set out in **Section 1, Part 2** of the Master Definitions and Framework Deed.

1.4 **Incorporation of Common Terms**

The Common Terms as set out in **Section 2** of the Master Definitions and Framework Deed apply to this Security Deed and shall be binding on the parties to this Security Deed as if set out in full in this Security Deed.

1.5 **Conflict with Common Terms**

If there is any conflict between the provisions of the Common Terms and the provisions of this Security Deed, the provisions of this Security Deed shall prevail, unless any provision of this Security Deed relates to VAT, in which case the VAT provisions of the Common Terms shall prevail and provided that the provisions of **Clause 7** of the Common Terms shall prevail at all times.

1.6 **Obligor/Obligee**

For the purpose of this Security Deed, **Clause 3.1** of the Common Terms applies to this Security Deed as if set out in full in this Security Deed and as if the Sellers were the Obligors and the Purchaser and the Security Trustee were the Obligees for the purposes of such clause.

1.7 **Governing Law and Jurisdiction**

This Security Deed and all non-contractual obligations arising out of or in connection with it shall be governed by English law in accordance with **Clause 3.23(a)** of the Common Terms, except for any terms of this Security Deed which relate to any assets situated in, or governed by the laws of Northern Ireland, or which are particular to the laws of Northern Ireland, which shall be governed by and construed in accordance with the laws of Northern Ireland. **Clause 3.23** of the Common Terms applies, save as provided above, to this Security Deed as if set out in full in this Security Deed.

1.8 **Security Deed**

This Security Deed is the Security Deed referred to in the Master Definitions and Framework Deed.

2. **SELLERS' COVENANT TO PAY**

The Sellers, jointly and severally, covenant with and undertake to the Purchaser and the Security Trustee that they shall duly and punctually pay or discharge, without deduction,

set-off or counterclaim, the Seller Secured Obligations in the manner and at the times provided in the Transaction Documents, subject to the other provisions of this Security Deed.

3. SECURITY

3.1 **The Sellers' contractual rights**

The Sellers, jointly and severally, by way of first fixed security for the discharge of the Seller Secured Obligations, with (subject to **Clause 7.3**) full title guarantee and subject to **Clause 5**, hereby convey, transfer and assign absolutely (but subject to reassignment on redemption) to and in favour of the Purchaser (to the extent capable of being assigned) all their right, title, interest and benefit, present and future, in respect of and to payment of any amounts which may become payable to either or both of the Sellers under any Reseller Contract entered into by the Sellers (whether singly or jointly) from time to time including the benefit of all covenants, undertakings, representations, warranties and indemnities thereunder with respect to such payment rights, all payments received by either or both of the Sellers thereunder, all rights to serve notices and/or make demands thereunder and/or to take such steps as are required to cause payments to become due and payable thereunder, all rights of action in respect of any breach thereof or default thereunder, in each case, in respect of such payments; and all rights to receive damages or obtain other relief in respect thereto and the proceeds of any of the foregoing.

3.2 **Floating charge**

As security for the payment and discharge of the Seller Secured Obligations, the Sellers, jointly and severally, with (subject to **Clause 7.3**) full title guarantee (or, in the case of any assets situated in, or governed by the laws of Scotland, with absolute warrandice, or, in relation to assets situated in, or governed by the laws of, Northern Ireland, as beneficial owner) charge to the Purchaser by way of first floating charge all of their right, title, interest and benefit, present and future, in, under and to any and all Devices which have been returned to, or to the order of the Sellers (or one of them) in connection with the exercise of a Swap Option relating to any Purchased Receivable Assets (including, in each case, the proceeds of any disposal thereof) without prejudice and in addition to any assets validly and effectively charged or assigned (whether at law or in equity or otherwise) by way of fixed security under the laws of England and Wales pursuant to this Security Deed. The floating charge created by this **Clause 3.2** is a qualifying floating charge for the purpose of Schedule B1, paragraph 14(2)(a) of the Insolvency Act 1986 and paragraph 14 of Schedule B1 of the Insolvency Act 1986, or as applicable, paragraph 15 of Schedule B1 of the Insolvency (Northern Ireland) Order 1989 shall apply to the floating charge created by this Security Deed.

3.3 **Priority**

(a) Any fixed security created by the Sellers and subsisting in favour of the Purchaser shall (save as the Purchaser may otherwise declare at or after the time of its creation) have priority over the floating charge created by **Clause 3.2**.

(b) If any Security Interest is created in the future by a Seller in respect of the Seller Charged Property (except in favour of the Purchaser or the Security Trustee) such Security Interest shall be expressed to be subject to this Security Deed and shall rank in order of priority behind the charges and security created by or pursuant to this Security Deed.

3.4 **No Transfer of Obligations**

(a) Notwithstanding anything else in this Security Deed, it is hereby agreed that the Purchaser does not assume, nor shall the Purchaser be obliged to perform, any obligations of any other party to this Security Deed or the other Transaction Documents or of the Sellers in respect of the Seller Security and nothing in this Security Deed shall be construed so as to transfer any of such obligations to the Purchaser.

(b) For the avoidance of doubt, the Security Trustee's agreement to become a party to this Security Deed is subject to **Clause 3.7** of the Common Terms and, accordingly, the Security Trustee shall not have any responsibility for any of the obligations of any Seller or the Purchaser and each of the Sellers and the Purchaser acknowledges that the Security Trustee has no such responsibility and that the Security Trustee is entitled to the protections contained in and on the terms set out in the Purchaser Security Documents, including the Deed of Charge.

4. **CRYSTALLISATION OF FLOATING CHARGES**

4.1 **Crystallisation by notice**

The Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) may at any time by notice in writing to the Sellers (so far as permitted by applicable law) convert the floating charge created by **Clause 3.2** into a fixed charge with immediate effect as regards any asset comprised within the floating charge created by **Clause 3.2** and specified in the notice if:

(a) the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) considers (acting reasonably) that any Seller Charged Property may be in danger of being seized or sold pursuant to any form of legal process or otherwise in jeopardy (provided that nothing in this clause shall prevent or restrict the sale or disposal of Devices by the Sellers from time to time); or

(b) the Purchaser (or following the delivery of an Enforcement Notice, the Security Trustee) considers (acting reasonably) that it is desirable to protect the priority of the security constituted by or pursuant to this Security Deed.

If no assets are specified in a notice given pursuant to this **Clause 4.1**, it shall take effect (so far as permitted by applicable law) over all the assets comprised within the floating charge specified in the notice and created by **Clause 3.2**.

4.2 **Automatic crystallisation**

The floating charge created by **Clause 3.2** shall automatically (so far as permitted by applicable law) and without notice to the Sellers, be converted into a fixed charge with immediate effect as regards all assets subject to the floating charge if:

(a) the Sellers, singly or jointly, create security over any asset comprised within the floating charge created by **Clause 3.2** other than pursuant to this Security Deed or attempt to do so or any such asset is disposed of contrary to the provisions of **Clause 8.3** or pursuant to any form of legal process or is otherwise in jeopardy;

(b) any person creates a trust over any such asset (other than pursuant to the Transaction Documents;

(c) any person (other than the Purchaser or the Security Trustee) levies or attempts to levy any distress, execution, diligence, sequestration or other process against any such asset;

(d) a Sky Act of Insolvency has occurred in respect of any of the Sellers; or

(e) any floating charge granted by the Sellers (whether singly or jointly) to any other person (whether permitted by the Transaction Documents or not) crystallises for any reason whatsoever.

Nothing in this **Clause 4.2** shall affect the crystallisation of the floating charge created by the Sellers under applicable law and, for the avoidance of doubt, the floating charge created by **Clause 3.2** may not be converted into a fixed charge solely by reason of:

(a) the obtaining of a moratorium; or

(b) anything done with a view to obtaining a moratorium, under the Insolvency Act 2000 (or as applicable, Article 14A of the Insolvency (Northern Ireland) Order 1989).

4.3 **Future floating charge assets**

Except as otherwise stated in any notice given under **Clause 4.1** or unless that notice relates to all its assets comprised within the relevant floating charge created by **Clause 3.2**, prospective assets acquired by the Sellers that would otherwise be subject to the floating charge created by **Clause 3.2** after crystallisation has occurred under **Clause 4.1** shall (so far as permitted by applicable law) become subject to the floating charge created by **Clause 3.2**, so that the crystallisation shall be effective only as to the relevant assets in existence at the date of crystallisation.

4.4 **Reconversion**

Any charge which has crystallised under **Clause 4.1** or **4.2** may, by notice in writing given at any time by the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) to the Sellers (and so far as permitted by applicable law), be reconverted into a floating charge in relation to the assets specified in that notice.

5. **RELEASE OF SELLER CHARGED PROPERTY**

5.1 **Redemption**

(a) Subject to **Clause 5.1(b)**, upon proof being given to the satisfaction of the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) (acting reasonably) as to either (i) the irrevocable and unconditional payment or discharge in full by the Sellers of all of the Seller Secured Obligations, or (ii) the release of such Seller Secured Obligations by the Purchaser (with the prior written consent of the Security Trustee), the Purchaser shall, at the request and cost of the Sellers, but without representation or warranty and being responsible for any loss, costs, claims or liabilities whatsoever occasioned by so acting upon such request or relying upon such proof release, retransfer, or reassign (as appropriate) the property charged or assigned by or pursuant to **Clause 3** to the Sellers or any other person entitled thereto at the direction of the Sellers of whom the Purchaser has written notice.

(b) If the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) considers (acting reasonably, and on the basis of legal advice where it

considers it appropriate) that an amount paid by the Sellers to the Purchaser Secured Party and/or the Security Trustee and/or the SD Receiver under or pursuant to the Transaction Documents in respect of the Seller Secured Obligations is capable of being avoided, reduced or otherwise set aside by any insolvency, bankruptcy, liquidation or other similar laws or on the liquidation or administration of the Sellers or otherwise and that there is a reasonable prospect of such liquidation or administration occurring and of such payment being so avoided or set aside, then that amount will not be considered to have been irrevocably paid for the purposes of this Security Deed and the security constituted by or pursuant to this Security Deed shall continue as if the release or discharge or arrangement had not occurred and the security shall, to the greatest extent possible, be restored.

6. NOTICES OF ASSIGNMENT

On or before the Initial Issue Date, (or, in the case of Reseller Contracts entered into by the Sellers after the Initial Issue Date, promptly upon entering into such Reseller Contracts), the Sellers shall deliver to each of the parties to the Reseller Contracts, notices of assignment in the form set out in **Schedule 2** and shall use reasonable endeavours to procure the delivery to the Purchaser and the Security Trustee of acknowledgements from the addressees of such notices substantially in the forms set out in **Schedule 2**.

7. FURTHER ASSURANCE

7.1 Necessary action

Without prejudice to the generality of **Clause 3.1** of the Common Terms, the Sellers shall take all such action as is available to them (including making all filings and registrations) as may be necessary and may reasonably be requested by the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) for the purpose of the creation, perfection, protection or maintenance of any Security Interest conferred or intended to be conferred on the Purchaser by or pursuant to this Security Deed.

7.2 Consents

The Sellers shall use all reasonable endeavours to obtain (in form and content satisfactory to the Purchaser and the Security Trustee) as soon as possible any consents necessary to enable the Seller Charged Property to be the subject of an effective fixed charge, floating charge, security or assignment pursuant to **Clause 3** and, immediately upon obtaining any such consent, the asset concerned shall become subject to such Seller Security pursuant to **Clause 3** and the Sellers shall promptly deliver a copy of each consent to the Purchaser and the Security Trustee.

7.3 Implied covenants for title

The obligations of the Sellers under this Security Deed shall be in addition to the covenants for title deemed to be included in this Security Deed by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994 and, to the extent applicable, by virtue of Section 7 of the Conveyancing Act 1881; **provided** that the term "**full title guarantee**" will be construed in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 but so that the covenants implied by the Law of Property (Miscellaneous Provisions) Act 1994 in respect of the Seller Security do not include:

(a) the words "other than any charges, encumbrances or rights which that person does not and could not reasonably be expected to know about" in section 3(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994; and

(b) section 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994.

8. COVENANTS AND WARRANTIES OF THE SELLERS

The Sellers hereby covenant with the Purchaser and the Security Trustee to perform and comply with all the obligations and undertakings from time to time incumbent upon it in respect of the security created by or pursuant to this Security Deed.

8.1 Security Power of Attorney

Immediately upon the execution of this Security Deed, the Sellers shall execute and deliver to the Purchaser and the Security Trustee the power of attorney in or substantially in the form set out in **Schedule 1**.

8.2 Seller Security Warranty

Each Seller warrants to the Purchaser and the Security Trustee that it has taken all necessary steps in accordance with the laws and regulations of the jurisdiction in which the asset(s) concerned is/are located or which have been declared applicable to such asset(s), as the case may be, to enable it to charge or assign, as applicable, as security its property charged by or pursuant to **Clause 3** and that it has taken no action or steps to prejudice its right, title and interest in and to its property charged by or pursuant to **Clause 3**.

8.3 Negative Pledge

No Seller (save as permitted by the Transaction Documents) shall create or permit to subsist any mortgage, standard security, charge, assignation in security, pledge, lien, (unless arising by operation of law) or other encumbrance or security interest of any kind including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction over the whole or any part of the Seller Charged Property provided that nothing in this clause shall prevent or restrict the sale or disposal of Devices by the Sellers from time to time.

8.4 No release from obligations

So long as any of the Seller Secured Obligations owed by the Sellers remain outstanding, no Seller shall, without the prior written consent of the Purchaser and the Security Trustee, permit any Reseller or other Person whose obligations form part of the Seller Security to be released from such obligations, except as may be permitted by this Security Deed, or the terms of the Transaction Documents or with the consent of the Purchaser and the Security Trustee.

8.5 Registration of Security

Each Seller covenants to the Purchaser and the Security Trustee that it will make filings with the Registrar of Companies of duly completed Forms MR01 in respect of itself together with a certified copy of this Security Deed within the applicable time limit.

9. PROVISIONS RELATING TO THE SECURITY

9.1 Continuing security

Without prejudice to the generality of **Clause 2**, the security constituted by or pursuant to this Security Deed shall be a continuing security and shall not be satisfied by any intermediate payment or satisfaction of the whole or any part of the Seller Secured Obligations but shall secure the ultimate balance of the Seller Secured Obligations. The security constituted by or pursuant to this Security Deed shall not be discharged or released by any act, event or matter whatsoever, except only pursuant to **Clauses 5.1(a)** or **5.1(b).**

9.2 Additional security

The security constituted by or pursuant to this Security Deed shall be in addition to and shall not be affected by any other guarantee, lien, right of set-off or combination or other security now or hereafter held or rights exercisable by the Purchaser or the Security Trustee for all or any part of the Seller Secured Obligations. The Seller Security is in addition to, and will not be merged in, or in any way exclude or prejudice any other Security Interest or other right which the Purchaser or the Security Trustee may now or at any time have (or would apart from the Seller Security have) as regards the Sellers or any other person in respect of the Seller Secured Obligations.

9.3 Security immediately enforceable

(a) The security constituted by or pursuant to this Security Deed shall become immediately enforceable upon any Seller failing to make any payment required to be made by it in respect of a Seller Secured Obligation when due, which failure remains unremedied for three (3) Business Days after the relevant Seller has been notified or otherwise becomes aware of such failure to pay or, if a Force Majeure Event prevented such payment, within five (5) Business Days after such due date. For the avoidance of doubt, neither the Purchaser nor the Security Trustee shall be required to, and shall have any responsibility to, take any action in respect of the security created pursuant to this Security Deed prior to the security becoming enforceable in accordance herewith (including, without limitation, taking any action pursuant to a Power of Attorney).

(b) At any time after the security constituted by or pursuant to this Security Deed shall have become enforceable, the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) (and any SD Receiver) may, and shall where so required, (but subject to the other provisions of this Security Deed), take possession of and hold the Seller Charged Property or any part thereof and/or, subject to **Clause 9.10**, sell, call in, collect and convert into money the Seller Charged Property or any part thereof in such manner and upon such terms and at such price or prices and at such time or times as the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) shall in its absolute discretion deem appropriate (as to any or all of which manner, terms, price and time the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) may rely absolutely upon the opinion of a financial adviser selected by it), and so that the power of sale conferred by Section 101 of the Law of Property Act 1925 and, to the extent applicable, Section 19 of the Conveyancing Act 1881 and Section 4 of the Conveyancing Act 1911 (but free from the restrictions imposed by Sections 93 and 103 of the Law of Property Act 1925 and, to the extent applicable, Sections 17 and 20 of the Conveyancing Act 1881) shall apply and have effect on the basis that this Security Deed constitutes a mortgage within the

meaning of those Acts and the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) is a mortgagee exercising the power of sale conferred upon mortgagees by that Act and on the footing that the power extends to a sale of any of the Seller Charged Property either together or in parcels and either by public auction or private contract and either for a lump sum or for a sum payable by instalments or for a sum on account and a mortgage or charge for the balance and with or without any special stipulations as to title or evidence of commencement of title or otherwise which the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) shall deem proper and any such sale as aforesaid may be to a company formed or promoted by the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) or in which it has an interest and may be in consideration of shares, securities or obligations of such a company or of any other person. The Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) shall also have power (without being responsible for any loss occasioned thereby):

(i) to compromise and effect compositions; and

(ii) for the purposes mentioned in this **Clause 9.3** or any of them to execute and do all such assurances, deeds, acts and things as it shall think fit.

9.4 **Further Actions**

Each Seller hereby covenants, undertakes and agrees with the Purchaser and the Security Trustee that, after the security constituted by or pursuant to this Security Deed has become enforceable, it will promptly on request take all such actions and execute all such documents as the Purchaser or the Security Trustee or SD Receiver consider necessary to effect the enforcement of the security created by or pursuant to this Security Deed in accordance with its terms (including, without limitation and for the avoidance of doubt giving notice to obligors of the assignments or assignations contemplated herein) and to facilitate the realisation of the Seller Charged Property and the exercise of all powers, authorities and discretions vested in the Purchaser or the Security Trustee or in any SD Receiver (but subject always to the Transaction Documents and any applicable restrictions herein).

9.5 **Appointment of an SD Receiver**

At any time after the security constituted by or pursuant to this Security Deed shall have become enforceable (and so that no delay or waiver of the right to exercise the powers hereby conferred shall prejudice the future exercise of such powers), the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) may (so far as permitted by applicable law) by writing appoint an SD Receiver of the Seller Charged Property or any part thereof and remove any SD Receiver so appointed and appoint another in his stead and the following provisions shall have effect in relation thereto:

(a) such appointment may be made either before or after the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) shall have taken possession of the Seller Charged Property or any part thereof;

(b) such SD Receiver may (subject to **Clause 9.10**) be vested by the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) with such powers and discretions as the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) may think expedient and may sell or concur in selling the Seller Charged Property or any part thereof, or assign or release, or give any

notice or do any other act or thing in relation to, the whole or any part of the property charged by or pursuant to this Security Deed, in each case without restriction (including with the benefit of the power of sale conferred by Section 101 of the Law of Property Act 1925 and, to the extent applicable, Section 19 of the Conveyancing Act 1881 and Section 4 of the Conveyancing Act 1911 but free from the restrictions imposed by Sections 17, 20, 93 and 103 of the Law of Property Act 1925 and, to the extent applicable, Sections 17 and 20 of the Conveyancing Act 1881and on such terms and for such consideration (if any) and in such manner and at such time as he may think fit and may carry any such transaction into effect by conveying, transferring and delivering in the name or on behalf of the Sellers, or otherwise and without limiting any powers herein before referred to may exercise any of the powers specified in **Schedule 3**, **provided** that such SD Receiver shall not perform any of his functions hereunder in or from any jurisdiction which, or any taxing authority of which, would or could by virtue of such performance assess to tax the Sellers, the Purchaser or the Security Trustee or the Seller Charged Property in respect of income or gains accruing to the Seller Charged Property unless such performance is required by law or is otherwise unavoidable;

(c) such SD Receiver shall in the exercise of his powers, authorities and discretions conform to any regulations from time to time made and given by the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee);

(d) the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) may from time to time fix the remuneration of such SD Receiver and direct (and hereby does so direct with the agreement of the Sellers and the Security Trustee) payment thereof out of monies accruing to him in the exercise of his powers as such SD Receiver (including any fees, costs and expenses relating to its appointment), but the Sellers alone shall be solely liable for the payment of such remuneration;

(e) the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) may from time to time and at any time require any such SD Receiver to give security for the due performance of his duties as SD Receiver and may fix the nature and amount of the security to be so given but neither the Purchaser nor the Security Trustee shall not be bound in any case to require any such security;

(f) subject to **Clause 9.5(d)**, save so far as otherwise directed by the Security Trustee (following delivery of an Enforcement Notice), all monies from time to time received by such SD Receiver shall (after deduction therefrom by the SD Receiver of any remuneration (including any fees, costs and expenses relating to its appointment) then due and directed to be paid out of monies accruing to him in the exercise of his powers as such SD Receiver in accordance with **Clause 9.5(d)**) be paid over to the Purchaser Transaction Account and applied in accordance with the then-applicable Priority of Payments;

(g) any SD Receiver shall be entitled to the benefit of all indemnities and all rights of retention that are given in favour of the Purchaser or the Security Trustee pursuant to this Security Deed;

(h) every such SD Receiver shall be the agent of the Sellers for all purposes and the Sellers (not the Purchaser or the Security Trustee or any other party) shall be responsible for his acts, defaults and misconduct and neither the Purchaser nor the Security Trustee shall incur any liability therefore or by reason of its making or

consenting to the appointment of a person as an SD Receiver under this Security Deed; and

(i) neither the Purchaser nor the Security Trustee shall be in any way responsible for any misconduct or negligence on the part of any such SD Receiver.

9.6 Purchaser's power to raise and borrow money on the Seller Security

At any time after the security constituted by or pursuant to this Security Deed shall have become enforceable, the Purchaser may raise and borrow money on the security of the Seller Charged Property or any part thereof for the purpose of defraying any monies, costs, charges, losses and expenses paid or incurred by it in relation to this Security Deed (including the costs of realisation of any or all of the property charged pursuant to this Security Deed and the remuneration of the Security Trustee or the SD Receiver) or in exercise of any of the powers contained in this Security Deed. The Purchaser may raise and borrow such money at such rate of interest and generally on such terms and conditions as it shall think fit and may secure the payment of the money so raised or borrowed with interest on the same by mortgaging or otherwise charging the Seller Charged Property or any part thereof and either in priority to the security constituted by this Security Deed or otherwise and generally in such manner and form as the Purchaser (with the consent of the Security Trustee shall think fit and for such purposes may execute and do all such assurances and things as it shall think fit.

9.7 Actual receipts and liability following realisation

Neither the Purchaser nor the Security Trustee shall, nor shall any SD Receiver or any attorney or agent of the Purchaser or the Security Trustee by reason of taking possession of the Seller Charged Property or any part thereof or for any other reason whatsoever and whether as mortgagee or security holder in possession or on any other basis whatsoever be liable to account to the Sellers or any other person whomsoever for anything except actual receipts or be liable to the Sellers or any other person whatsoever for any loss or damage arising from realisation of the Seller Charged Property or any part thereof or from any act, default or omission in relation to the security constituted by or pursuant to this Security Deed or any part thereof or from any exercise or non-exercise by it of any power, authority or discretion conferred upon it in relation to the security constituted by or pursuant to this Security Deed or any part thereof or otherwise unless such loss or damage shall be caused by its own fraud, wilful default or gross negligence.

9.8 Law of Property Act 1925

(a) The powers conferred by this Security Deed in relation to the security constituted by or pursuant to this Security Deed or any part thereof on the Purchaser, the Security Trustee or on any SD Receiver of the property charged pursuant to this Security Deed or any part thereof shall be in addition to and not in substitution for the powers conferred on mortgagees or receivers under the Law of Property Act 1925 and, to the extent applicable, the Conveyancing Act 1881 and the Conveyancing Act 1911 and where there is any ambiguity or conflict between the powers contained in such Act and those conferred by this Security Deed, the terms of this Security Deed shall prevail.

(b) No purchaser acquiring (in good faith and for money or money's worth) the benefit of any Security Interest over, or any other interest in relation to, the Seller Charged Property from the Purchaser, the Security Trustee or a SD Receiver, and no other person dealing with the Purchaser, the Security Trustee or an SD Receiver, shall be concerned to enquire (a) whether any of the powers exercised

or purported to be exercised by the Purchaser, the Security Trustee or such SD Receiver has arisen or become exercisable, (b) whether the Seller Secured Obligations remain outstanding or have become payable, (c) whether the SD Receiver is authorised to act or (d) as to the propriety or validity of the exercise or purported exercise of any power; and the title of such a purchaser and the position of such a person shall not be impeachable by reference to any of those matters and the protections contained in Sections 104 to 107 of the Law of Property Act 1925 and, to the extent applicable, Sections 21 and 22 of the Conveyancing Act 1881 shall apply to any person purchasing from or dealing with an SD Receiver, the Purchaser or the Security Trustee.

(c) The receipt of the Purchaser, the Security Trustee or the SD Receiver shall be an absolute and a conclusive discharge to a purchaser or other person as referred to in **Clause 9.8(b)** and shall relieve such purchaser or other person of any obligation to see to the application of any monies paid to or by the direction of the Security Trustee or the SD Receiver.

9.9 **Mortgagee in Possession**

None of the Purchaser, the Security Trustee or the SD Receiver shall be liable to account as a mortgagee or security holder in possession in respect of all or any part of the Seller Charged Property or be liable for any loss upon realisation or for any neglect, default or omission in connection with the Seller Charged Property to which a mortgagee or security holder in possession might otherwise be liable. If and whenever the Purchaser, the Security Trustee or the SD Receiver enters into possession of the Seller Charged Property, it shall be entitled at any time at its discretion to go out of possession.

9.10 **Purchaser's power to deal with the Seller Charged Property**

At any time after the security constituted by or pursuant to this Security Deed shall have become enforceable and the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) shall have determined or become bound to enforce the same, the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) shall have power, at its discretion and without being responsible for any loss or damage which may arise or be occasioned thereby and without any consent of the Sellers to do each and every of the following things:

(a) execute, do and perform contracts, deeds, documents and things and bring, defend or abandon actions, suits and proceedings in relation to the Seller Charged Property in the name of the Sellers; and

(b) generally do anything in relation to the Seller Charged Property or any part thereof it could do if it were absolutely entitled thereto.

9.11 **Discharge**

Upon any sale, calling in, collection or conversion of any property charged pursuant to this Security Deed and upon any other dealing or transaction under the provisions contained in this Security Deed, the receipt by the Purchaser or the Security Trustee of the purchase money in respect of the assets sold and of any other monies paid to the Purchaser or the Security Trustee shall effectually discharge the Sellers or other person, as the case may be, paying the same and the Sellers or other person, as the case may be, shall not be responsible for the application of such monies.

9.12 **Purchaser's power to take possession of the Seller Charged Property**

In addition to the foregoing powers, the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) may enter into possession of and hold, or (so far as permitted by applicable law) appoint a SD Receiver or SD Receivers to take possession of, any part of the Seller Charged Property which may at any time appear to it to be in danger of being taken under any process of law by any creditor of the Sellers or to be otherwise in jeopardy and whenever under this **Clause 9.12** the Purchaser shall enter into possession of the Seller Charged Property or a SD Receiver shall be appointed, the other provisions of this **Clause 9** shall apply *mutatis mutandis* and the Purchaser or the Security Trustee, as the case may be, may at any time give up possession or withdraw such receivership.

9.13 **Applications to the court**

The Purchaser may at any time after the security constituted by or pursuant to this Security Deed becomes enforceable apply to the court for an order that the powers and trusts of this Security Deed and of the security constituted pursuant to this Security Deed be exercised or carried into execution under the direction of the court and for the appointment of an SD Receiver (so far as permitted by applicable law) of the property charged pursuant to this Security Deed or any part thereof and for any other order in relation to the execution and administration of the powers and trusts hereof as the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) shall deem expedient and it may assent to or approve any application to the court made at the instance of the Security Trustee.

9.14 **Financial Collateral Arrangements (No 2) Regulations 2003**

The Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) may, on or at any time after the security constituted by this Security Deed becomes enforceable, by notice in writing to the Sellers appropriate with immediate effect any of the Seller Charged Property comprising financial collateral which is subject to a security financial collateral arrangement (within the meaning of the Financial Collateral Arrangements (No 2) Regulations 2003 and apply it in or towards the discharge of the Seller Secured Obligations by payment into the Purchaser Transaction Account and application in accordance with the then applicable Priority of Payments, whether such Seller Charged Property is held by the Purchaser, the Security Trustee or otherwise. The value of any Seller Charged Property appropriated under this **Clause 9.14** shall be:

(a) in the case of cash, its face value at the time the right of appropriation is exercised; and

(b) in the case of other Seller Charged Property, the value for the relevant Seller Charged Property at the time of appropriation, as determined by the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) on the basis of the sale price(s) obtained from an applicable generally recognised source selected by the Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) (converted, where necessary, into sterling at a market rate of exchange prevailing at the time of appropriation selected by the Purchaser or the Security Trustee, as the case may be) acting reasonably.

9.15 **Duty to account to the Sellers for excess collections**

The Purchaser (or, following delivery of an Enforcement Notice, the Security Trustee) will account to the Sellers for any amount by which the value of the appropriated Seller

Charged Property pursuant to **Clause 9.14** exceeds the Seller Secured Obligations then due. The Sellers agree that the method of valuing such Seller Charged Property under **Clause 9.14** is commercially reasonable.

9.16 **Powers additional to those vested by law**

The powers conferred by this Security Deed upon the Purchaser and, to the extent applicable, the Security Trustee are in addition to any powers which may from time to time be vested in them by general law.

10. **MISCELLANEOUS**

10.1 **Failure or delay in exercising rights**

A failure or delay in exercising any right, power or privilege arising under or in respect of this Security Deed shall not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege shall not be presumed to preclude any subsequent or further exercise of that right, power or privilege or the exercise of any right, power or privilege. The rights and remedies provided in this Security Deed are cumulative and may be exercised singularly or concurrently and are not exclusive of any rights or remedies provided by law.

10.2 **Expenses**

The Sellers will pay or discharge all costs (including legal costs), charges and expenses properly incurred by the Purchaser, the Security Trustee or any Appointee in relation to the carrying out of its or his functions under this Security Deed (other than in relation to Tax on its own net income, profits or gains) including, but not limited to, legal expenses and reasonable travelling expenses and any stamp, registration, documentary or other similar Taxes or duties paid or payable by the Purchaser, or the Security Trustee in connection with any legal proceedings brought or contemplated by the Purchaser or the Security Trustee against the Sellers for enforcing any obligation under this Security Deed or resolving any doubt concerning, or for any other purpose in relation to, this Security Deed.

10.3 **Perpetuity period**

The perpetuity period applicable to any trusts created by this Security Deed shall be 125 years.

10.4 **Modification and waiver**

Any term of this Security Deed may be amended only with the consent of the parties hereto or unless specified otherwise, waived only with the consent of the parties hereto (other than the party seeking the waiver) and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

IN WITNESS WHEREOF the parties hereto have caused this Security Deed to be executed and delivered as a deed by their respective authorised signatories, as of the date first above written.

Executed as a deed by and on behalf of **SKY UK LIMITED** acting by its duly authorised signatory:)

In the presence of:

Witness signature)

Witness name)

Witness address)

Executed as a deed by and on behalf of **SKY SUBSCRIBERS SERVICES LIMITED** acting by its duly authorised signatory:)

In the presence of:

Witness signature)

Witness name)

Witness address)

Purchaser

Executed as a deed by and on behalf of **LIONEL FINANCE LIMITED** acting by its director:)

In the presence of:

Witness signature)

Witness name)

Witness address)

10.4 **Modification and waiver**

Any term of this Security Deed may be amended only with the consent of the parties hereto or unless specified otherwise, waived only with the consent of the parties hereto (other than the party seeking the waiver) and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

IN WITNESS WHEREOF the parties hereto have caused this Security Deed to be executed and delivered as a deed by their respective authorised signatories, as of the date first above written.

Executed as a deed by and on behalf of **SKY UK LIMITED** acting by its duly authorised signatory:)

In the presence of:

Witness signature)

Witness name) Salvatore Cilenti

Witness address) Grant Way, Isleworth TW7 5QD

Executed as a deed by and on behalf of **SKY SUBSCRIBERS SERVICES LIMITED** acting by its duly authorised signatory:)

In the presence of:

Witness signature)

Witness name) SALVATORE CILENTI

Witness address) GRANT WAY, ISLEWORTH TW7 5QD

Purchaser

Executed as a deed by and on behalf of **LIONEL FINANCE LIMITED** acting by its director:)

In the presence of:

Witness signature)

Witness name)

Witness address)

10.4 **Modification and waiver**

Any term of this Security Deed may be amended only with the consent of the parties hereto or unless specified otherwise, waived only with the consent of the parties hereto (other than the party seeking the waiver) and then such amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

IN WITNESS WHEREOF the parties hereto have caused this Security Deed to be executed and delivered as a deed by their respective authorised signatories, as of the date first above written.

Executed as a deed by and on behalf of **SKY UK LIMITED** acting by its duly authorised signatory:)

In the presence of:

Witness signature)

Witness name)

Witness address)

Executed as a deed by and on behalf of **SKY SUBSCRIBERS SERVICES LIMITED** acting by its duly authorised signatory:)

In the presence of:

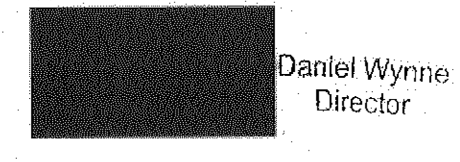
Witness signature)

Witness name)

Witness address)

Purchaser

Executed as a deed by and on behalf of **LIONEL FINANCE LIMITED** acting by its director:



Daniel Wynne
Director

In the presence of:

Witness signature)

Witness name **Mignon Clarke-Whelan**)

Witness address)
Third Floor
1 King's Arms Yard
London
EC2R 7AF

Security Trustee

Executed as a deed by and on behalf of **BNP PARIBAS TRUST CORPORATION UK LIMITED** acting by its duly authorised signatory:	))

In the presence of:

Witness signature	)
	)
Witness name	)
	)
Witness address	)

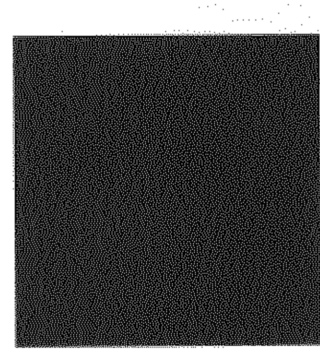
Security Trustee

Executed as a deed by and on behalf of **BNP PARIBAS TRUST CORPORATION UK LIMITED** acting by its duly authorised signatory:	))

~~In the presence of~~:

~~Witness signature~~	))
~~Witness name~~	))
~~Witness address~~	)





SCHEDULE 1

Form of Security Power of Attorney from the Sellers to the Purchaser and the Security Trustee

THIS POWER OF ATTORNEY is granted on November 2017 by **Sky UK Limited**, a company incorporated under the laws of England and Wales, registered number 02906991, whose registered office at Grant Way, Isleworth, Middlesex, TW7 5QD and **Sky Subscribers Services Limited**, a company incorporated under the laws of England and Wales, registered number 02340150, whose registered office at Grant Way, Isleworth, Middlesex, TW7 5QD (each a "**Seller**" and together, the "**Sellers**").

WHEREAS

(1) By virtue of a Security Deed (the "**Security Deed**") dated November 2017 and made between the Sellers, Lionel Finance Limited as the Purchaser and BNP Paribas Trust Corporation UK Limited as Security Trustee (each hereinafter referred to as an "**Attorney**"), provision was made for the execution by the Sellers of this Power of Attorney.

(2) Words and expressions in this Power of Attorney shall (save where expressed to the contrary) have the same meanings respectively as the words and expressions defined in or through the Security Deed. This Power of Attorney shall be construed in accordance with the principles of construction and interpretation incorporated into the Security Deed.

NOW THIS POWER OF ATTORNEY WITNESSES

1. Each Seller, individually, and the Sellers, jointly, hereby irrevocably and by way of security for the performance of the covenants, undertakings, conditions and obligations on the part of the Sellers contained in the Security Deed appoints each Attorney and any receiver appointed thereunder ("**SD Receiver**") to be its true and lawful attorney for and in the relevant Seller's or both Sellers' name or otherwise to do any act, matter or thing which an Attorney or SD Receiver considers in each case bona fide necessary for the protection or preservation of an Attorney's interests in and rights in and to any property charged or assigned by or pursuant to the Security Deed or any part thereof or which ought to be done (but has not been done) under the covenants, undertakings and provisions contained in the Security Deed in each case on or after the security constituted by the Security Deed has become enforceable or in any other circumstances where an Attorney or SD Receiver has become entitled to take steps referred to in the Security Deed including any or all of the following that is to say:

   (a) to do every act or thing which an Attorney or SD Receiver may deem to be necessary proper or expedient for fully and effectually vesting or transferring any security created by, and/or property charged or assigned pursuant to, the Security Deed or any part thereof and/or the relevant Seller's or both Sellers' estate right interest and title therein or thereto in or to an Attorney or SD Receiver and its successors in title or the persons or persons entitled to the benefit thereof in the same manner and as fully and effectually in all respects as the relevant Seller's or both Sellers' could have done;

   (b) each Attorney shall have the power by writing under its hand by an officer of the Attorney (including every SD Receiver appointed under the Security Deed) from time to time:

      (i) to appoint one or more substitutes (each a "**Substitute**") (provided that there shall not be more than one Substitute appointed at any one time in

respect of the property charged or assigned by or pursuant to the Security Deed) who shall have power to act on behalf of the relevant Seller or the Sellers jointly as if that substitute shall have been originally appointed Attorney by this Power of Attorney; and/or

(ii) to revoke any such appointment at any time without assigning any reason therefore.

2. (a) In favour of each Attorney, any SD Receiver and/or any Substitute, (or a person dealing with any of them and the successors and assigns of such a person), all acts done and documents executed or signed by an Attorney, a SD Receiver or a Substitute in the purported exercise of any power conferred by this Power of Attorney shall for all purposes be valid and binding on the Sellers individually and jointly and their successors and assigns.

(b) Each Seller, individually, and the Sellers, jointly, irrevocably and unconditionally undertake to indemnify each Attorney and each SD Receiver and/or Substitute appointed from time to time by an Attorney and their respective estates against all actions, proceedings, claims, costs, expenses and Liabilities of every description arising from the exercise, or the purported exercise, of any of the powers conferred by this Power of Attorney.

(c) The provisions of this clause shall continue in force after the revocation or termination, howsoever arising, of this Power of Attorney.

3. Each Seller, individually, and the Sellers, jointly, hereby agrees at all times hereafter to ratify and confirm whatsoever the said Attorney or its attorney or attorneys or any SD Receiver or Substitute shall lawfully do or cause to be done in and concerning the Seller Security and/or the property charged or assigned by or pursuant to and in accordance with the Seller Security Deed or any part thereof by virtue of this Power of Attorney.

4. Each Seller, individually, and the Sellers, jointly, hereby declares that, this Power of Attorney having been given for security purposes and to secure a continuing obligation of the Sellers, the powers hereby created shall be irrevocable and shall not (to the fullest extent permitted by applicable law) be affected by the Sellers making an application for a suspension of payments or by the bankruptcy of the Sellers or by the making of an application by a third party for the bankruptcy of the Sellers or by the passing of a resolution for the voluntary liquidation of the Sellers or any equivalent event.

5. The laws of England and Wales shall apply to this Power of Attorney any non-contractual obligations arising out of or in connection with it and to all acts of an Attorney carried out or purported to be carried out under the terms hereof.

6. This Power of Attorney shall automatically terminate on the payment and discharge of the Seller Secured Obligations in full.

IN WITNESS WHEREOF this Power of Attorney has been executed and delivered as a security power of attorney by each of the Sellers the day and year first before written.

Executed as a deed by and on behalf of)
SKY UK LIMITED acting by its duly)
authorised signatory:)

In the presence of

Witness signature)

Witness name)

Witness address)

Executed as a deed by and on behalf of)
SKY SUBSCRIBERS SERVICES)
LIMITED acting by its duly authorised)
signatory:

In the presence of)

Witness signature)

Witness name)

Witness address

SCHEDULE 2

Form of Notice of Assignment

From: Sky UK Limited
Grant Way
Isleworth
Middlesex TW7 5QD

Sky Subscribers Services Limited
Grant Way
Isleworth
Middlesex TW7 5QD

(together, the "**Sellers**")

Cc: Lionel Finance Limited (the "**Purchaser**")
c/o Wilmington Trust SP Services (London) Limited
Third Floor
1 Kings Arms Yard
London EC2R 7AF

BNP Paribas Trust Corporation UK Limited
(the "**Security Trustee**")
10 Harewood Avenue
London NW1 6AA

To: **[•]**

Date [•]

Dear Sirs

We hereby give you notice that, by a Security Deed dated November 2017 (the "**Security Deed**") and made between the Sellers, the Purchaser and the Security Trustee, the Sellers, jointly and severally, assigned absolutely (subject to re-assignment on redemption) to the Purchaser all their right, title, interest and benefit, present and future, in respect of and to payment of any amounts which may become payable to either or both of the Sellers under any Reseller Contracts to which the Sellers are a party (the "**Assigned Rights**").

Words and expressions used herein and not defined shall have the meanings given to them in or through the Security Deed.

Subject to any other instructions given to you by the Purchaser or the Security Trustee, you are authorised and instructed to deal with the Sellers in relation to the Reseller Contracts to which you are a party as if the assignment referred to in the preceding paragraph had not taken place, save that you are not authorised or instructed to recognise the exercise by the Sellers of any right to vary or terminate the Reseller Contracts to which you are a party insofar as it relates to any Assigned Right that has already accrued as at the time of exercise of such right unless the prior written consent of the Purchaser or the Security Trustee has been obtained thereto.

You are authorised and instructed to give notice to the Purchaser and the Security Trustee in the event that either or both Sellers is in breach of any of its material obligations under the Reseller Contracts to which you are a party which would permit you to terminate or cancel the Reseller Contracts to which you are a party.

None of the instructions, authorisations and confirmations in this notice can be revoked in any way except with the Purchaser's and the Security Trustee's prior written consent. Please acknowledge receipt of this notice to the Security Trustee on the enclosed Acknowledgement of Assignment.

This notice (and all non-contractual obligations and liabilities arising out of or in connection with it) shall be governed by and construed in accordance with English law. We irrevocably submit to the exclusive jurisdiction of the Court of England and Wales in respect of any claim, dispute or difference arising out of or in connection with this notice.

Yours faithfully

for and on behalf of
Sky UK Limited

by:

for and on behalf of
Sky Subscribers Services Limited

by:

Form of Acknowledgement of assignment

From: [●]
To: Sky UK Limited
Grant Way
Isleworth
Middlesex TW7 5QD

Sky Subscribers Services Limited
Grant Way
Isleworth
Middlesex TW7 5QD

(together, the "**Sellers**")

Cc: Lionel Finance Limited (the "**Purchaser**")
c/o Wilmington Trust SP Services (London) Limited
Third Floor
1 Kings Arms Yard
London EC2R 7AF

BNP Paribas Trust Corporation UK Limited
(the "**Security Trustee**")
10 Harewood Avenue
London NW1 6AA

Date [•] 2017

Dear Sirs

We hereby acknowledge receipt of the Notice of Assignment dated [•] 2017 relating to the Security Deed dated November 2017 (the "**Security Deed**") and made between the Sellers, the Purchaser and the Security Trustee as adequate notice of the assignment.

We agree to act at the direction of the Purchaser or the Security Trustee (following receipt of notice from the Purchaser or the Security Trustee that the security granted under or pursuant to the Security Deed has become enforceable) in relation to rights to receive payment of any amounts which may become payable to either or both of the Sellers under any Reseller Contracts to which we are a party (the "**Assigned Rights**") as if it was a direction of the Sellers [and not to recognise the exercise by the Sellers of any right to vary or terminate the Reseller Contracts to which we are a party insofar as it relates to any Assigned Right that has already accrued as at the time of exercise of such right without the prior written consent of the Purchaser and the Security Trustee, and to give the Purchaser and the Security Trustee prompt notice of any attempt by the Sellers to do so.

If either or both Sellers is in breach of any of its material obligations, under the Reseller Contracts to which we are a party, which would permit us to terminate or cancel the Reseller Contracts to which we are a party, we shall promptly upon becoming aware of it give the Purchaser and the Security Trustee notice of such breach or event.

We have not, as at the date of this acknowledgement, received from any other person any notice of any assignment or charge of or any interest in the Reseller Contracts to which we are a party.

Words and expressions used herein and not defined shall have the meanings given to them in or through the Security Deed.

This acknowledgement (and all non-contractual obligations and liabilities arising out of or in connection with it) shall be governed by and construed in accordance with English law.

We irrevocably submit to the exclusive jurisdiction of the Court of England and Wales in respect of any claim, dispute or difference arising out of or in connection with this notice.

Yours faithfully

[•]

SCHEDULE 3

Powers of an SD Receiver

An SD Receiver appointed under this Security Deed shall have and be entitled to exercise all powers conferred by statute or common law and shall furthermore, but without limiting any powers otherwise referred to in this Security Deed, have power to do the following things either in his own name or in the name of the Purchaser:

1. to take possession of, get in and collect the Seller Charged Property (or such part thereof in respect of which it may be appointed) or any part thereof including income whether accrued before or after the date of its appointment;

2. to carry on, manage, concur in or authorise the management of, or appoint a manager of, the whole or any part of the business of the Purchaser;

3. to sell, transfer, convey, exchange, license, surrender, release, disclaim, abandon, return or otherwise dispose of or in any way whatsoever deal with the whole or any part of the Seller Charged Property or any interest in that Seller Charged Property or any part thereof for such consideration (if any) and upon such terms (including by deferred payment or payment by instalments) as it may think fit and to concur in any such transaction;

4. to sell or concur in selling the whole or any part of the Purchaser's business whether as a going concern or otherwise;

5. to sell on condition and to grant rights and options over the whole or any part of the Seller Charged Property and (with or without consideration) to rescind, surrender or disclaim or accept or agree to accept surrenders or disclaimers of agreements relating to or affecting any of the Seller Charged Property in such circumstances, to such persons (including, without limitation, to the Security Trustee), for such purposes and upon such terms whatsoever as it may think fit and also to vary the terms of any contract affecting any of the Seller Charged Property;

6. in connection with the exercise or the proposed exercise of any of its powers or in order to obtain payment of its remuneration (whether or not it is already payable), to borrow or raise monies from any person, including the Security Trustee, without security or on the security of any of the Seller Charged Property and generally in such manner and on such terms as it may determine;

7. to bring, defend, submit to arbitration, negotiate, compromise, abandon and settle any claims, disputes and proceedings concerning the Seller Charged Property or any part thereof;

8. to transfer all or any of the Seller Charged Property and/or any of the liabilities to any other company or body corporate, whether or not formed or acquired for the purpose and to form a subsidiary or subsidiaries of the Purchaser;

9. to protect, maintain, repair, alter, improve, replace, exploit, add to and develop or concur in so doing the Seller Charged Property or any part thereof in any manner and for any purpose whatsoever;

10. to redeem, discharge or compromise any Security Interest from time to time having priority to or ranking *pari passu* with this Security Deed;

11. enter into covenants, guarantees, commitments, indemnities and other obligations or liabilities as it thinks fit in each case relating to the Seller Charged Property;

12. to effect or maintain indemnity insurance and other insurance and obtain bonds and performance guarantees, in respect of the Seller Charged Property;

13. to appoint, dismiss, engage or vary the terms of employment of any employees, managers, agents or advisers of the Purchaser upon such terms as to remuneration and otherwise and for such periods as it may determine;

14. in connection with the exercise of any of its powers, to execute or do, or cause or authorise to be executed or done, on behalf of or in the name of the Purchaser or in its own name, as it may determine, all documents, receipts, registrations, acts or things which it may consider appropriate;

15. to exercise any powers, discretions, voting, conversion or other rights or entitlements in relation to any of the Seller Charged Property or incidental to the ownership of or rights in or to any of the Seller Charged Property and to complete or effect any transaction entered into by the Purchaser and complete, disclaim, abandon or modify all or any of the outstanding contracts or arrangements of the Purchaser relating to or affecting the Seller Charged Property;

16. to exercise all powers as are described in schedules 1 and 2 to the Insolvency Act 1986, whether or not the SD Receiver is an "administrative receiver" as defined in such Act, in respect of the Purchaser;

17. generally to carry out, or cause or authorise to be carried out, any transaction, scheme or arrangement whatsoever, whether similar or not to any of the foregoing, in relation to the Seller Charged Property which it may consider expedient as effectually as if it were solely and absolutely entitled to the Seller Charged Property;

18. to delegate its powers by way of power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Security Deed on the terms (including the power to sub-delegate) and subject to any regulations which such SD Receiver may think fit and such SD Receiver shall not be liable or responsible in any way to the Purchaser or the Security Trustee for any loss or liability arising from any act, omission, negligence, wilful default or fraud on the part of any such delegate or sub-delegate;

19. to:

    (a) do all other acts and things which it may consider desirable or necessary for realising any Seller Charged Property or incidental or conducive to any of the rights, powers or discretions conferred on an SD Receiver under or by virtue of this Security Deed; and

    (b) exercise in relation to any Seller Charged Property all the powers, authorities and things which it would be capable of exercising if it were the absolute beneficial owner of the same,

    and may use the name of the Purchaser for any of the above purposes;

20. to pay and discharge out of the profits and income of the relevant Seller Charged Property and the monies to be made by it in carrying on the business of the Purchaser, the expenses incurred in the exercise of any of the powers conferred by this Security Deed or otherwise in respect of such Seller Charged Property and all outgoings which it shall think

fit to pay and to apply the residue of the said profits, income or monies in the manner provided by the Post-Acceleration Priority of Payments; and

21. to retain proceeds or assets against future contingent liabilities of it and other Purchaser Secured Parties.

Provided nevertheless that an SD Receiver shall not be authorised to exercise any of the aforesaid powers, authorities and discretions if and insofar and so long as (i) the Security Trustee excludes the same in writing whether at the time of his appointment or subsequently and/or (ii) the Security Trustee is prohibited from exercising such powers, authorities or discretions by the terms of any Transaction Document.